

# FISCAL NOTE

**Bill #:** HB0301 **Title:** Revise use of Lewis & Clark license plate funds  
**Primary Sponsor:** Galvin-Halcro, K **Status:** As Amended in House Committee

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Sponsor signature	Date	David Ewer, Budget Director	Date
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## Fiscal Summary

	<b><u>FY 2006</u></b> <b><u>Difference</u></b>	<b><u>FY 2007</u></b> <b><u>Difference</u></b>
<b>Expenditures:</b>		
State Special Revenue	\$0	\$75,147
<b>Revenue:</b>		
State Special Revenue	\$0	\$75,147
<b>Net Impact on General Fund Balance:</b>	\$0	\$0

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<input type="checkbox"/> Significant Local Gov. Impact	<input checked="" type="checkbox"/> Technical Concerns
<input type="checkbox"/> Included in the Executive Budget	<input type="checkbox"/> Significant Long-Term Impacts
<input checked="" type="checkbox"/> Dedicated Revenue Form Attached	<input type="checkbox"/> Needs to be included in HB 2

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## Fiscal Analysis

### ASSUMPTIONS:

#### **Department of Commerce (DOC)**

1. HB 301 continues the sale of Lewis and Clark bicentennial specialty license plates and provides that revenue from the sale of said license plates be allocated to the Department of Commerce and the Montana Historical Society as the successors to the Lewis and Clark Bicentennial Commission.
2. Revenue from the sale of Lewis and Clark Bicentennial specialty license plates is declining. Revenue estimates assume a 7.6 percent decrease in each fiscal year. The percentage of decrease is based upon the decrease in revenue from FY 2003 to FY 2004.
3. Section 2(3) states that "Beginning January 1, 2007, the DOC and the Montana Historical Society (MHS) shall use money in the special revenue accounts established in [section 3] to support projects related to Lewis and Clark." For the purposes of this fiscal note, it is assumed there would be approximately \$75,147 in revenue available in FY 2007.
4. Section 3(1)(A) states that "There is a department of commerce Lewis and Clark bicentennial account in the state special revenue fund. Three-fourths of the revenue from the sales of Lewis and Clark bicentennial license plates under 2-15-151, MCA must be placed into the account and must be used as provided in 2-15-151, MCA. The revenue in the account is statutorily appropriated, as provided in 17-7-502 MCA, to the department of commerce." For the purposes of this fiscal note, it is assumed that the three-fourths of the revenue equals \$56,360 available in FY 2007.

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5. Section 3(2) states: “The department of commerce shall allocate the proceeds that are deposited in the account established in subsection (1)(A) as grants, as follows:
- One-third to the Lewis and Clark interpretive center foundation;
  - One-third to the Pompeys pillar historical association;
  - One-third to the travelers’ rest preservation and heritage association.
6. Section 3(3) states “Entities receiving funds under SUBSECTION (2) may not use the funds for purposes other than those prescribed by the DOC”. Since 100 percent of the proposed revenues are allocated as pass through funding to the entities in assumption 5 there appears to be no available funding to administer and oversee the program.

### Montana Historical Society (MHS)

7. The Lewis & Clark bicentennial license plate revenue is statutorily appropriated.
8. One-fourth of the revenue from the sales of Lewis & Clark bicentennial license plates will be deposited in the Montana Historical Society special revenue account provided for under 2-15-151, MCA.
9. The Montana Historical Society shall use the money to support projects related to Lewis & Clark.

### Department of Justice (DOJ)

10. The Department of Justice motor vehicle system would continue to utilize the same fee codes for the collection of the donations for the organizational license plates. Therefore, there would be no fiscal impact for the Department of Justice.

### FISCAL IMPACT:

#### **Department of Commerce**

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
<u>Expenditures:</u>		
Grants	\$0	\$56,360
<u>Funding of Expenditures:</u>		
State Special Revenue (02)	\$0	\$56,360
<u>Revenues:</u>		
State Special Revenue (02)	\$0	\$56,360
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
State Special Revenue (02)		\$0

#### **Montana Historical Society**

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
<u>Expenditures:</u>		
Operating Expenses	\$0	\$18,787
<u>Funding of Expenditures:</u>		
State Special Revenue (02)	\$0	\$18,787
<u>Revenues:</u>		
State Special Revenue (02)	\$0	\$18,787
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
State Special Revenue (02)	\$0	\$0

**Fiscal Note Request HB0301, As Amended in House Committee**  
(continued)

TECHNICAL NOTES:

**Department of Commerce (DOC)**

HB 301 should be amended to allow for the funding of a modest amount of administrative costs associated with program oversight. Administrative responsibilities would include establishing criteria for grants, allocation of funds to the three entities identified in Section 3(2) and oversight of proper use of funds as identified in Section 3(3). Such costs are estimated to be less than \$5,000 each fiscal year.